

**MAY 12, 2009**

**PUBLIC HEARING NOTICE**

There will be a public hearing meeting of the **Contract Compliance Committee** of the Board of Commissioners of Cook County on **Tuesday, May 19, 2009** at the hour of **2:00 P.M.** in the Board Room, Room 569, County Building, 118 North Clark Street, Chicago, Illinois to consider the following:

300319      RESOLUTION CALLING FOR A PUBLIC HEARING REGARDING THE IMPACT OF UTILIZATION OF GROUP PURCHASING ORGANIZATIONS ON M/WBEs (PROPOSED RESOLUTION). Submitting a Proposed Resolution sponsored by Roberto Maldonado, County Commissioner; Co-sponsored by Peter N. Silvestri and Joseph Mario Moreno, County Commissioners.

**PROPOSED RESOLUTION**

**WHEREAS**, on April 9, 2009 the Cook County Health and Hospitals System Board ("System Board") adopted the Procurement Policy for the Cook County Health and Hospitals System ("System"); and

**WHEREAS**, the System Board took this action pursuant to the Ordinance Establishing the Cook County Health and Hospitals System ("Enabling Ordinance") which expressly provides that the System Board shall have the authority over all procurement and contracts for the System, and further provides that the System may exercise this authority, in whole or in part, pursuant to its discretion; and

**WHEREAS**, as the System's Interim Chief Executive Officer ("CEO"), David R. Small, stated in a letter to the Board of Commissioners dated April 20, 2009, the System Board has stated that it is genuinely committed to the County's policy to promote equal opportunity in its procurement process and has expressly set forth in the System's new Procurement Policy that Protected Class Enterprises shall participate in not less than 35 percent of the annual aggregate value of all contracts awarded by the System; and

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**WHEREAS**, in furtherance of its mission to ensure sound fiscal management of all aspects of the System, the System has issued a Request for Proposal ("RFP") for the System's participation in a Group Purchasing Organization ("GPO"), a purchasing consortia that the Systems argues is in the best interest of the System and its patients; and

**WHEREAS**, numerous local small business owners who are certified as Minority and Women Owned Business Enterprises ("M/WBEs") oppose the System's use of a GPO stating that it would eliminate their ability to do business with the County because GPOs shut out small M/WBE businesses and offer opportunities only to majority corporations who pay to participate in GPO contracts; and

**WHEREAS**, as an example of this exclusion, the M/WBE business owners allege that a vendor currently supplying pharmaceuticals to the System through a contract previously approved by the County Board has not met its M/WBE participation goals as agreed to in its contract; and

**WHEREAS**, the System disputes this allegation, stating that the County Board approved a reduced M/WBE participation goal of 3 percent due to the stringent manufacture and delivery standards for the purchase of pharmaceuticals and the vendor is satisfying this participation; and

**WHEREAS**, the Director of the Office of Contract Compliance states a different finding in a Memorandum to the Chair of Contract Compliance, dated April 20, 2009, concluding that the pharmaceutical vendor's 3% goal has not been met.

**NOW, THEREFORE, BE IT RESOLVED**, in an effort to protect the integrity of the M/WBE Ordinance and the impact utilization of GPOs will have on M/WBEs, the Contract Compliance Committee of the Cook County Board will convene a public hearing and will request to hear testimony from the following: Warren Batts, Chairman, System Board; David R. Small, Interim System CEO; Leslie Duffy, System Chief Procurement Officer; Betty Hancock Perry, Director of the Office of Contract Compliance; and representatives from the M/WBE small business community, as well as from other members of the public.

**\*Referred to the Contract Compliance Committee on 05-05-09.**

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Matthew B. DeLeon, Secretary

Chairman: Maldonado

Vice-Chairman: Silvestri

Members: Butler, Gorman, Goslin, Moreno, Peraica, Sims, Steele